

COUNTY OF LOS ANGELES

MARVIN J. SOUTHARD, D.S.W.
Director

SUSAN KERR
Chief Deputy Director

RODERICK SHANER, M.D.
Medical Director



BOARD OF SUPERVISORS
GLORIA MOLINA
YVONNE BRATHWAITE BURKE
ZEV YAROSLAVSKY
DON KNABE
MICHAEL D. ANTONOVICH

DEPARTMENT OF MENTAL HEALTH

<http://dmh.co.la.ca.us>

550 SOUTH VERMONT AVENUE, LOS ANGELES, CALIFORNIA 90020

Reply To: (213) 738-4601
Fax: (213) 386-1297

March 4, 2004

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**AUTHORIZATION TO IMPLEMENT PHASE I OF THE INSTITUTE FOR
CO-OCCURRING BEHAVIORAL DISORDERS
AND
APPROVAL OF REQUEST FOR APPROPRIATION ADJUSTMENT
FOR FISCAL YEAR 2003-2004
(ALL SUPERVISORIAL DISTRICTS)
(4 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Authorize the Department of Mental Health (DMH) to implement Phase I of the Institute for Co-Occurring Behavioral Disorders (ICOBD), effective upon Board approval. The ICOBD will be located in the Augustus F. Hawkins facility on the campus of the Martin Luther King, Jr./Drew Medical Center (King/Drew) and will serve as a Countywide training, research and treatment center for adults and adolescents with co-occurring mental illness and substance abuse disorders. The Fiscal Year (FY) 2003-2004 pro-rated cost to DMH for Phase I of the ICOBD is \$1,852,000 fully funded with \$1,563,000 from existing resources and \$289,000 from Federal Financial Participation (FFP) Medi-Cal. The annualized cost for the program is \$4,808,000 fully funded with \$3,127,000 from the redirection of existing resources, \$1,474,000 in FFP Medi-Cal and \$207,000 in Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) State General Funds (SGF).
2. Approve interim ordinance authority for 41 additional positions identified in Attachment I, pursuant to Section 6.06.020 of the County Code, subject to allocation by the Department of Human Resources.

3. Authorize DMH to fill and/or hire on the 51 positions, identified in Attachment II, that are necessary to implement the ICOBD. This includes the 41 additional ordinance positions and 10 existing vacant budgeted positions that will be utilized for the ICOBD. Of the 51 positions, up to 18 positions will be filled with existing DMH employees currently on grant-funded items that are due to expire during FY 2003-2004 and the remainder will be hired. These staffing resources are critically needed to implement the ICOBD, including nursing management and other multi-disciplinary staffing for the Outpatient Crisis Stabilization Unit of the ICOBD, which will provide direct services, 24 hours per day, seven days per week.
4. Approve the Request for Appropriation Adjustment (Attachment III) in the amount of \$1,236,000 funded by shifting \$947,000 in existing appropriation from Services and Supplies and increasing FFP Medi-Cal revenue by \$289,000 to fund the necessary increases in Salaries & Employee Benefits \$956,000 and Fixed Assets \$280,000 for FY 2003-2004. The adjustment will provide DMH the appropriation authority to implement Phase I of the ICOBD.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

Numerous studies conducted throughout the United States have documented the magnitude of the problem of co-occurring substance abuse and mental illness. Approximately half of individuals treated for chronic and severe mental illness have a co-occurring substance abuse disorder. The abuse of alcohol and street drugs leads to symptom exacerbation and relapse, noncompliance with mental health treatment, higher overall treatment costs, significantly worse social and occupational functioning, and increased risk of death from suicide. Although co-occurring disorders are recognized as a significant public health problem, treatment has been suboptimal. The separate organization and financing of mental health and substance abuse services, combined with significant differences in the attitudes and training of mental health and substance abuse treatment professionals has contributed to difficulties in providing effective treatment.

The ICOBD, which is being developed through a partnership among the Los Angeles County Departments of Mental Health, Health Services (DHS) and Children and Family Services (DCFS), is intended to provide a state-of-the-art, evidence-based model continuum of care for adolescents and adults with co-occurring mental illness and substance abuse. It is intended that the ICOBD will serve as a Countywide resource for treatment, research, education and training for DMH, DCFS, DHS Alcohol and Drug Program Administration (ADPA), Probation, the public school system and other agencies serving this population. The ICOBD will also serve to reduce the demand for

acute psychiatric hospitalizations by diverting those individuals in crisis due to co-occurring mental illness and substance abuse disorders but not requiring involuntary hospitalization, to the ICOBD's Outpatient Crisis Stabilization Unit.

Phase I of the ICOBD will be housed in the area of the Augustus F. Hawkins facility vacated by the Community Reintegration Of Mentally Ill Offenders (CROMIO) program which is terminating in March 2004. Phase I will provide a Crisis Stabilization Unit, an Assertive Community Treatment (ACT) program, and a number of integrated treatment groups. The research, education and training components of the ICOBD will also be initiated during Phase I.

Implementation of Strategic Plan Goals

The recommended Board actions are consistent with the principles of the Countywide Strategic Plan, Goal 1 Service Excellence: Provide the public with easy access to quality information and services that are both beneficial and responsive; Goal 3 Organizational Effectiveness: Ensure that service delivery systems are efficient, effective and goal-oriented; Goal 5 Children and Families' Well-Being: Improve the well-being of children and families in the County of Los Angeles; and Goal 7 Health and Mental Health: Implement a client-centered, information-based health and mental health services delivery system that provides cost-effective and quality services across County departments.

FISCAL IMPACT/FINANCING

There is no impact on net County cost.

For FY 2003-2004, the four-month pro-rated cost for Phase I of the ICOBD is \$1,852,000. This amount includes the pro-rated cost of 51.0 Full-Time Equivalent (FTE) positions, associated on-going program costs and one-time start-up costs required for program implementation. Phase I of the ICOBD will be financed by \$247,000 in funding budgeted for unanticipated vacant budgeted positions, \$1,316,000 from the redirection of existing resources in Services and Supplies (S&S), and \$289,000 in increased FFP Medi-Cal. Details are shown in Attachment IV.

The FY 2003-2004 Budget Appropriation of \$1,236,000 provides DMH with the spending authority required for implementation of the ICOBD. The adjustment shifts \$947,000 from S&S and increases FFP Medi-Cal by \$289,000 to fund the necessary increases of \$956,000 in S&EB and \$280,000 in Fixed Assets.

For FY 2004-2005, the annualized financial impact of the implementation of Phase I of the ICOBD will be \$4,808,000 (Attachment IV). This amount includes 51.0 FTEs and associated costs related to operating the program. This amount will be funded by \$807,000 in redirection of budgeted S&EBs, \$2,320,000 from the redirection of budgeted S&S costs, \$1,474,000 in increased FFP Medi-Cal and \$207,000 in increased EPSDT-SGF. Annual funding for Phase I of the ICOBD will be included in DMH's FY 2004-2005 Final Changes budget submission.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

DMH plans to implement the ICOBD in two phases. Upon Board approval, the Department will begin implementing Phase I of the ICOBD which is not dependent upon Phase II. The ICOBD will be developed in collaboration with the Augustus F. Hawkins Mental Health Center, Charles R. Drew University of Medicine and Science and the Harbor-UCLA Medical Center. In order to plan the ICOBD, DMH formed a Program Development Committee comprised of representatives from DMH, DHS ADPA, DCFS, academic institutions, other County and non-county agencies, and the private sector. Planning for the ICOBD has been guided by the recommendations of the Program Development Committee's three subcommittees, Integrated Treatment, Business Practices and Finance, and Academics and Curriculum.

During Phase I of the ICOBD the treatment program will consist of three inter-related components: an Outpatient Crisis Stabilization Unit with lengths of stay limited to less than 24 hours, an ACT program and integrated treatment groups. The treatment program design allows for entry into treatment through the Crisis Stabilization Unit or the ACT or group programs, based on each individual's needs. During Phase I the Crisis Stabilization Unit will have the daily capacity to serve 10 adults and 2 adolescents. These clients will be referred primarily from the County Hospital Emergency Rooms, but may also be referred by law enforcement or outpatient clinics. Phase I will also provide a full ACT team with the capacity to provide approximately 150 persons with intensive, community-based services. Staff from both the Crisis Unit and the ACT team, along with residents, interns and trainees, will provide the integrated treatment group program. This program will provide several groups per day, three to five days per week with the capacity to serve approximately 90 clients per week.

In addition to the treatment program, the ICOBD will provide research, education and training. The unique setting of the ICOBD will provide the opportunity to implement evidence-based approaches to integrated service provision for individuals with both mental health and substance abuse disorders. From the outset, researchers will be evaluating the effectiveness of the interventions and will then train providers throughout

the system based on these evidence-based interventions. Education and training will be provided for new and existing DMH employees, as well as for staff from other County departments.

DMH plans to return to the Board in the future for authorization to implement Phase II, subject to identifying available funding and a suitable location. Under Phase II the ICOBD will be relocated to larger accommodations to enable the expansion of the program.

During both phases of the ICOBD there will be linkages with residential and other alcohol and drug treatment programs, psychiatric emergency and inpatient services, medical emergency services, housing and employment services. DMH anticipates that initially this will create increased demand on the system for these resources. DMH will work closely with its contracted and collaborating residential and alcohol and drug treatment providers to ensure the most effective use of available resources. The ICOBD budget includes a limited amount of "flexible spending" funding for placement of clients while they await entry into more permanent arrangements. It is also anticipated that by treating these individuals with an integrated approach, in the long-term, the costs will be decreased by reducing their use of repetitive high-cost services.

The Program Development Committee has recommended that ADPA providers collaborate with DMH in the treatment of ICOBD clients and that the two departments work together to develop integrated assessment, treatment planning, treatment and charting processes. The DCFS representatives to the Program Development Committee have agreed to explore the use of Title IV-E funds for training for DCFS and DMH staff that work with adolescents and their families. In order to enhance collaboration with its County partners, DMH plans to provide the opportunity for co-location at the ICOBD of staff from other departments during Phase II.

The proposed actions have been reviewed and approved by County Counsel, the Chief Administrative Office, Departments of Human Resources, and DMH's Program, Fiscal, and Human Resources staff. The Departments of Health Services and Children and Family Services have also reviewed and concur with the proposed actions.

CONTRACTING PROCESS

This subject does not apply.

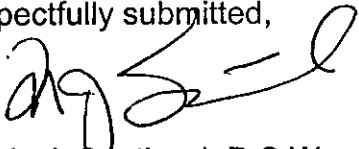
IMPACT ON CURRENT SERVICES

The ICOBD will provide state-of-the-art integrated treatment of co-occurring mental illness and substance abuse disorders to adults and adolescents throughout Los Angeles County. In addition, it will create an environment for true partnerships among all agencies and entities that deal with persons with these disabilities. The ICOBD will also result in the development of clinicians and paraprofessionals throughout the system of care that are skilled in the integrated treatment of these co-occurring disorders.

CONCLUSION

The Department of Mental Health will need one (1) copy of the adopted Board action. It is requested that the Executive Officer of the Board notifies the Department of Mental Health's Contracts Development and Administration Division at (213) 738-4684, when these documents are available.

Respectfully submitted,



Marvin J. Southard, D.S.W.
Director of Mental Health

MJS:RK:JA:JKA:cmk

Attachments (4)

- c: Chief Administrative Officer
- Auditor-Controller
- County Counsel
- Department of Health Services
- Department of Children and Family Services
- Chairperson, Mental Health Commission

ATTACHMENT I

**COUNTY OF LOS ANGELES-DEPARTMENT OF MENTAL HEALTH
INSTITUTE FOR CO-OCCURRING BEHAVIORAL DISORDERS (ICOB)
REQUESTED POSITIONS**

DIVISION	POSITION	Man Months	FTE
Administration	Mental Health Clinical Program Head	12	1.0
	Intermediate Typist Clerk	24	2.0
	Medical Records Technician II	12	1.0
	Patient Financial Services Worker	12	1.0
	Senior Community MH Psychologist	12	1.0
	Senior Mental Health Counselor, RN	48	4.0
	Senior Typist Clerk	12	1.0
	Staff Assistant II	12	1.0
	Supervising Mental Health Psychiatrist	12	1.0
	Supervising Psychiatric Social Worker	12	1.0
	Total Administration		14.0
Outpatient Crisis Stabilization Unit	Clinical Psychologist II	12	1.0
	Clinical Psychologist Intern	72	6.0
	Community Worker	12	1.0
	Medical Case Worker II	36	3.0
	Mental Health Counselor, RN	36	3.0
	Substance Abuse Counselor	36	3.0
	Total Outpatient Stabilization Unit		17.0
Assertive Community Treatment (ACT) Team	Community Worker	12	1.0
	Mental Health Psychiatrist	12	1.0
	Psychiatric Social Worker II	60	5.0
	Substance Abuse Counselor	12	1.0
	Total ACT Team		8.0
Curriculum and Research	Mental Health Education Consultant	24	2.0
	Total Curriculum and Research		2.0
	Total positions requested for ICOBD		41.00

**COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH
INSTITUTE FOR CO-OCCURRING BEHAVIORAL DISORDERS (ICOB)
EXISTING AND REQUESTED POSITIONS**

EXISTING DEPARTMENT BUDGETED POSITIONS

POSITION	Man Months	FTE
Clinical Psychologist II	12	1.0
Medical Case Worker II	12	1.0
Mental Health Counselor, RN	12	1.0
Mental Health Psychiatrist	12	1.0
Psychiatric Social Worker II	12	1.0
Senior Community Worker II	24	2.0
Senior Secretary III	12	1.0
Senior MH Counselor, RN	12	1.0
Substance Abuse Counselor	12	1.0
Total Existing Department Budgeted Positions		<u>10.0</u>

REQUESTED POSITIONS

POSITION	Man Months	FTE
Clinical Psychologist II	12	1.0
Clinical Psychologist Intern	72	6.0
Community Worker	24	2.0
Medical Case Worker II	36	3.0
Mental Health Counselor, RN	36	3.0
Mental Health Clinical Program Head	12	1.0
Mental Health Education Consultant	24	2.0
Mental Health Psychiatrist	12	1.0
Intermediate Typist Clerk	24	2.0
Medical Records Technician II	12	1.0
Patient Financial Services Worker	12	1.0
Psychiatric Social Worker II	60	5.0
Senior Community MH Psychologist	12	1.0
Senior Mental Health Counselor, RN	48	4.0
Senior Typist Clerk	12	1.0
Staff Assistant II	12	1.0
Substance Abuse Counselor	48	4.0
Supervising Mental Health Psychiatrist	12	1.0
Supervising Psychiatric Social Worker	12	1.0
Total Requested Positions		<u>41.0</u>

Total existing and requested positions 51.00

**COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH
INSTITUTE FOR CO-OCCURRING BEHAVIORAL DISORDERS
PROPOSED BUDGET - PHASE I
FY 2003-2004, FY 2004-2005**

DESCRIPTION	FY 2003-2004 ⁽¹⁾		FY 2004-2005	
	TOTAL FTE	TOTAL BUDGET	FTE	TOTAL
PROGRAM COST				
SALARIES & EMPLOYEE BENEFITS				
Regular Pay	51.0	\$1,153,384	51.0	\$3,766,003
Overtime		50,000		50,000
Rounding		(384)		(3)
Salaries and Employee Benefits	51.0 ⁽²⁾	\$1,203,000	51.0	\$3,816,000
SERVICES AND SUPPLIES				
Academic Affiliation with UCLA and Drew School of Science and Medicine		\$0		\$374,400
Caminar License Fee		1,500		1,500
Cellular Phones				7,200
Consultants		20,000		70,000
Flexible Spending (hotel, housing assistance, money management)		180,000		60,000
Food		15,000		40,000
Medical Supplies		3,333		5,000
Mileage		5,000		15,000
Office Supplies		5,000		5,000
Pagers		600		1,800
Patient Transportation		6,667		10,000
Training		6,667		25,000
Travel and Training Expense		3,733		13,750
Vehicle Maintenance and Gas		5,000		15,000
Facility Cost		116,040		348,120
Rounding		460		230
Services and Supplies		\$369,000		\$992,000
FIXED ASSETS				
Caminar Systems		\$15,000		\$0
Tab System		200,000		0
Telepsychiatry		-		0
Vehicles (3 cars @ \$15,000 + 1 van @ \$20,000)		65,000		0
Rounding		0		0
Fixed Assets		\$280,000		\$0
TOTAL PROGRAM COST		\$1,852,000		\$4,808,000
PROGRAM FUNDING				
Redirection of Existing Resources				
Existing Vacant Positions		\$247,000		\$806,758
Facility Cost, DHS - MLK Occupancy Cost		-		348,120
Transfer from unallocated ACT Funds		416,000		1,023,373
Transfer from MHA Village		750,000		750,000
Budgeted Services and Supplies from CROMIO Program		150,000		199,000
Rounding		0		(251)
Redirection of Existing Resources		\$1,563,000		\$3,127,000
Revenues: (Medi-Cal)				
Non-EPSTD (FFP)		\$ 288,548		\$ 1,244,922
EPSTD (FFP)		0		229,687
EPSTD (SGF)		0		206,718
Rounding		452		(327)
Revenues		\$ 289,000		\$ 1,681,000
TOTAL FUNDS AVAILABLE		\$1,852,000		\$4,808,000
NET COUNTY COST		\$0		\$0

Notes

(1) Based on a March 2004 start date.

(2) Refer to Attachment I and II of Board letter.